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CIA Director William Casey is financially involved in a consortium that was tapped to compete for synthetic fuel subsidies from the government, but an associate says he does not have an active role in it.

Casey, whose business dealings were investigated last year by the Senate Intelligence Committee, is one of five stockholders in Energy Transition Corp., but "is not active" in the firm, Robert W. Fri confirmed Tuesday night.

Fri is president of the corporation, which is the managing partner of the consortium Peat Methanol Associates. The consortium is one of five finalists selected Friday by the government's Synthetic Fuels Corp. to compete for different types of loan and price supports.

The government corporation was created by Congress in 1980 to distribute billions of dollars in various types of financial incentives \_ but not direct aid \_ to spur construction of synthetic fuels plants.

Peat Methanol Associates proposes to build a \$350 million plant at Creswell, N.C., to convert peat to methanol.

Casey played no role in the synthetic fuel project, said Fri.

"Mr. Casey is a small, inactive stockholder," said CIA spokesman Dale Peterson. "He knows nothing about the workings of the company."

All five principals in Energy Transition served together in the Ford administration, The Washington Post reported in today's editions.

Fri was deputy administrator of the Energy Research and Development Administration. Casey served as head of the Export-Import Bank and as undersecretary of state for economic affairs and before that was chairman of the Securities and Exchange Commission.

The others were identified as Charles W. Robinson, former deputy secretary of state; Frank G. Zarb, former head of the Federal Energy Administration; and William Turner, former U.S. representative to the Paris-based Organization for Economic Cooperation and Development.

The Senate Intelligence Committee concluded a four-month investigation of Casey's business dealings last December. It issued a six-page report which gave him what was considered a backhanded endorsement, saying that "no basis has been found for concluding that Mr. Casey is unfit" to stay in his CIA post.

The committee's report said Casey had omitted large amounts of information on his initial disclosure forms both to the committee and to the Office of Government Ethics.

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